

some years, but the autumn rate was usually higher, reaching in 1890 five and a half per cent. An increase from four to five per cent, was made on October 7, 1893, but was followed by a reduction to four and a half in the second half of January, 1894, and to four per cent, on February 9th, where it remained throughout the year and until the autumn of 1895, when it was put at five per cent.

Reductions were made in the winter, which brought the rate down on February 14, 1896, to four per cent., where it was successfully maintained, through the elasticity of the note system, until the autumn of 1898. The scarcity of capital, which then afflicted Europe as the result of the war in South Africa and of other causes, forced the rate of discount at the Austro-Hungarian Bank to four and a half per cent, on October 14, 1898, and to five per cent, on November 25th. High rates prevailed, with slight relaxations, until the spring of 1901, when it became possible on March 1st to reduce the rate to four per cent, and in 1902, on February 5th, to three and a half per cent., for the first time in the history of the bank. This rate remained unchanged for more than three years, when the pressure again felt upon the world's stock of capital led to an advance on October 19, 1905, to four and a half per cent. Even then the advance was attributed at first to the attraction for Austrian gold which was afforded by high rates in foreign markets, but it presently appeared that there was real pressure at home as well as abroad. ^x Not until May 31, 1906, was a reduction made to four per cent., and on September 30th it became necessary to restore the higher rate, and on June 30, 1907, to make a further advance to five per cent, and on November 15th, to six per cent. The average rate for 1907 was 4.896 per cent.

The Austro-Hungarian Bank, like the Bank of France, has done much to extend accommodation to small merchants. The whole number of pieces of paper discounted in 1878 was 368,795, which grew in 1882 to 550,829; in 1887 to 704,608;